

REMARKS

Claims 1, 4-11, and 13 are pending in this application.

Applicants have amended claims 1 and 11, and have canceled claims 2, 3, and 12.

These changes do not introduce any new matter, as explained in more detail below.

Rejection under 35 U.S.C. § 102

Applicants respectfully request reconsideration of the rejection of claims 1-6 and 8-13 under 35 U.S.C. § 102(b) as being anticipated by *Morag* (US 6,324,545 B1) (as noted above, Applicants have herein canceled claims 2, 3, and 12). As will be explained in more detail below, the *Morag* reference does not disclose each and every feature of the subject matter defined in independent claims 1 and 11, as amended herein.

Applicants have amended independent claim 1 to include the features specified in original claims 2 and 3. In addition, Applicants have amended claim 1 to specify an area displaying module that displays the priority order set by the priority setting module in the image integration area(s). Applicants have amended independent claim 11 to include the features specified in original claim 12. In addition, Applicants have amended claim 11 to specify the step of displaying the priority order set by the priority order setting module in the image integration area(s). Support for the changes to claims 1 and 11 can be found in the specification at page 19 and in Figure 6 of the drawings. In particular, as stated at page 19, lines 7-11, “[o]rdinal numbers are assigned to image integration areas included in the selected template from the top and from the left and are shown in the corresponding image integration areas in the layout editing field 93 as shown in Fig. 6.”

The *Morag* reference discloses a personalized photo album. *Morag* teaches that at least some of a plurality of digitally encoded images are automatically arranged to print according to image weight, color balance, acquisition time, symmetry between images, etc. However, *Morag* does not disclose (or suggest) setting a priority order of at least one image

integration area according to a positional sequence of an upper end and a positional sequence of a left end of each image integration area in a selected template, as specified in amended claims 1 and 11. Thus, for at least this reason, the *Morag* reference does not disclose each and every feature of the subject matter defined in amended claims 1 and 11.

Accordingly, independent claims 1 and 11, as amended herein, are patentable under 35 U.S.C. § 102(b) over *Morag*. Claims 4-6 and 8-10, each of which ultimately depends from claim 1, and claim 13, which depends from claim 11, are likewise patentable under 35 U.S.C. § 102(b) over *Morag* for at least the same reasons set forth above regarding the applicable independent claim.

Rejection Under 35 U.S.C. § 103

Applicants respectfully request reconsideration of the rejection of claim 7 under 35 U.S.C. § 103(a) as being unpatentable over *Morag*. Claim 7 ultimately depends from claim 1. The deficiencies of the *Morag* reference relative to the subject matter defined in amended claim 1 are set forth above in connection with the anticipation rejection of this claim. Nothing in the *Morag* reference cures the above-discussed deficiencies of this reference relative to the subject matter defined in amended claim 1. Accordingly, claim 7 is patentable under 35 U.S.C. § 103(a) over *Morag* for at least the reason that this claim ultimately depends from claim 1.

Conclusion

In view of the foregoing, Applicants respectfully request reconsideration and reexamination of claims 1, 4-11, and 13, as presented herein, and submit that these claims are in condition for allowance. Accordingly, a notice of allowance is respectfully requested. In the event a telephone conversation would expedite the prosecution of this application, the Examiner may reach the undersigned at **(408) 749-6902**. If any additional fees are due in

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connection with the filing of this paper, then the Commissioner is authorized to charge such fees to Deposit Account No. 50-0805 (Order No. ITECP015).

Respectfully submitted,
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